

# **Department of Labor & Training, Labor Standards Unit**

## **Meeting Minutes**

**October 30, 2015**

**Present: see attached list**

**Scott Jensen, Director made a motion for meeting to come to order.  
David Sullivan seconded the motion. All approved.**

**- Joe Degnan discussed 2 prevailing wage cases with the Labor Standards Unit. The first between the State and Cardoso Construction. 27 employees involved. Bond company responsible for wages only, not the penalty. The priority is to get the employee their money.**

**The second case involving the Floor covering company involved 17 employees . This case is under appeal for misclassification of employees.**

**Joe briefly shared they are working on another case which involves a large scale misclassification of employees.**

**Discussion on Legislative changes on March report.**

**- Sarah Blusiewicz discussed weekly meetings with the Department of Revenue and DLT are working well. Federal money of \$500,000.00 was granted.**

**- Joe Degnan stated 3 new positions for Investigators for Labor Standards are coming on board. The total will be 1 Chief, 4 investigators and 1 support staff. This will enable more investigators on the road with some announced and unannounced visits to companies who had complaints filed against them.**

**- Scott Jensen introduced Carol McLaughlin, Prosecutor for the Attorney General's Office. She discussed her work with the Financial Crimes Unit and the Fraud Unit which involves the Auto Theft Unit at the DMV.**

**- Sarah Blusiewicz asked for recommendations from the audience on how we can help educate employers ( trades people) on DLT guidelines, ie:**

**o TDI**

**o Unemployment tax laws**

**o Workers Compensation Insurance Regulations**

**o Income Tax**

**A draft document for discussion was proposed for next meeting. Suggestions for ALL information to be clear and concise then submitted for approval and put on our website.**

**- Matt Weldon brought to attention New Business.**

**Discussion involving the dealer license plates being sublet. There is**

**no taxes going back to the state and he wants Mr. David Sullivan to look at this issue. Mr. Sullivan agreed to follow up on this issue due to how it hurts RI business.**

**- Michael Lynch from Beacon Mutual Insurance Co. discussed in depth the problem of not collecting premiums for independent or under the table paid workers. He gave an example of misclassifying a “secretary” vs. a “roofer” in order to keep premiums low. He requested Workers Compensation to be investigated for fraud.**

**- Paula Pallozzi advised there is an audit process at workers comp. and told everyone there is another board who will be willing to help with this process.**

**- George Nee commented on how well the meeting was conducted and how hard the DLT is working with their commitment.**

**- Greg Mancini discussed the second URI project questioning Mr. Lynch about how overtime compensation would affect workers comp. and violating the law. Mr. Lynch stated more information is needed to form a formal path as to what the penalty should be, how the insurance company is notified and how to get back their premiums.**

**- Mike Healey, Public Affairs spokesperson for the DLT spoke briefly on a story in process regarding wage theft on undocumented workers.**

**Scott Jensen made a motion to adjourn the meeting and Carol McLaughlin seconded the motion.**

**10:30 am**

## **SIGN IN SHEET**

**Department of Labor & Training, Labor Standards Unit**

**Michael D. Lynch VP Legal – Beacon Mutual**

**Steven Sullivan**

**Gabrielle Godino Carpenters**

**David Sullivan Dept of Revenue**

**Rich Pacheco BAC #3**

**David Langlois Local 37**

**Carole McLaughlin Attorney General's Office**

**Jeff Taylor Mayforth Group**

**Paula Pallozzi RI – DBR**

**George Whelen RI – CRLB**

**Sean Fontes RIDLT**

**Michael Sabitoni RIBT**

**Michael Holmes Carpenters, Local 94**

**Mike Healey    Public Affairs, DLT**

**Scott Jensen    Director, DLT**

**Joe Walsh    Organizer – IBEW local 99**

**Scott Duhamel    RI Building Trades**

**Norbert Oliveira    Local 1333 Business Manager**

**George Nee    RI AFLCIO**

**Greg Mancini    Build RI**

**Philip D'Ambra**

**Matt Weldon**